

Funding the Future

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According to [The Guardian](#) and many other media sources, based on briefings from 10 Downing Street, senior members of the Labour Party have already been manoeuvring for position in anticipation of Keir Starmer's downfall. When a health secretary has to deny plotting to oust the prime minister, as Wes Streeting had to do yesterday, the rot has already set in. The question now is not whether this government is unravelling, but what that means for its ability to govern. That is most especially a problem for Rachel Reeves, who is supposed to present a Budget within two weeks.

Let me be blunt: you cannot deliver a credible Budget from a government that has already lost its coherence, as this one would appear to have done. A Budget is, above all else, a statement of intent. It is a declaration of priorities, confidence, and direction. None of those things is presently visible in Westminster, and that matters.

Firstly, the purpose of a Budget is to allocate resources in line with a vision. What is, however, clear is that neither Starmer nor Reeves has a vision. Stability in this government's language means keeping the wealthy and the markets happy. At the same time, everyone else absorbs the instability, and beyond that, they have no idea what they are doing.

Secondly, there are no signs that Labour can recover from this mess, not least because this administration was exhausted before it began. Reeves tied herself to Tory fiscal rules from the outset, and that makes real change impossible now. Starmer has stifled internal debate to such an extent that dissent now breaks out in leaks and whispers instead. And Streeting's interventions, whether by design or accident, only expose how brittle the edifice has become. The appearance of unity has gone. The pretence of leadership is fading fast.

Thirdly, even if Reeves somehow delivers her Budget, what credibility will it have? The markets do not believe in her growth projections. The public does not believe in her promises. And her colleagues no longer seem to believe in her prime minister. A Budget without belief behind it is not an act of governance. It is, at best, an administrative formality. It might pass through the Commons, but it will inspire no one.

The consequences are serious.

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Public services will limp on under the illusion that stability is a substitute for funding.

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The economy will stagnate while Reeves insists the government's hands are tied by fiscal rules she chose.

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And the space where a political alternative should exist, of a fairer, sustainable economy, will remain empty, while Labour consumes itself in private briefings and cabinet rivalries.

What should happen instead?

First, Reeves should abandon the fantasy that she can rebuild Britain by following the rules that broke it. Fiscal credibility is not achieved by self-imposed constraint; it comes from having a plan to use the state's resources to deliver well-being, full employment, and ecological security.

Second, Labour needs to rediscover the language of purpose. People did not elect this government to steady the ship; they did so in the hope of changing course. Reeves could still change that narrative if she dared to say what her predecessors never would: that the government's job is to spend first, tax second, and build confidence in the economy through action, and not austerity.

Third, Starmer's leadership vacuum has to be confronted. A government without conviction cannot command the economy. If Labour cannot articulate why it governs, no number of fiscal rules, targets, or costings will save it from implosion. Starmer has, then, to either communicate a vision now or quit; those are his only options.

The tragedy is that there remains a historic opportunity, but Labour will not grab it. Britain is crying out for investment, for fair wages, for energy security, for care, and for hope. Reeves could make the case and provide the funding for those tomorrow if she wished. But she will not, because she has mistaken caution for competence and silence for strength.

A Budget can only work when it is underpinned by the belief that government can make a difference, that people matter more than bond yields, and that stability comes from justice, not deference. Until this government remembers that, it is already over, whatever the calendar says. And Reeves has to decide now whether she wants to shackle herself to that failure, and deliver a Budget doomed to it, or move on, as it seems many of her Cabinet colleagues are already keen to do. There is an interesting fortnight to come.

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